

**Department of Veterans Affairs
Office of Inspector General**

**Memorandum to the File
Case Closure**

**Alleged Misrepresentation of Costs, Interference with an OIG Investigation, and Improper Disclosure of Confidential Information, [REDACTED]
(2013-00235-IQ-0004)**

The VA Office of Inspector General (OIG) Administrative Investigations Division investigated allegations that Ms. [REDACTED], intentionally under-reported to the VA Chief of Staff cost estimates for a hiring fair held in June [REDACTED] in [REDACTED]; interfered with an OIG investigation by suborning perjury of her subordinates; and improperly disclosed confidential information to her staff regarding another investigation being conducted by OIG. We did not substantiate these allegations.

To investigate these allegations, we interviewed 19 VESO and 3 Serco, Inc., contractor employees and reviewed email records, applicable Federal law, regulations, and VA policy. Ms. [REDACTED] retired from Federal service effective [REDACTED], soon after we informed her of this investigation and asked to interview her. She did not agree to be interviewed either prior to or after her retirement. We substantiated other allegations made against [REDACTED] and a Serco contractor employee, which are detailed in a separate report: [REDACTED]

Alleged Under-Reporting of Hiring Fair Costs

Federal regulations state that VA employees will furnish information and testify freely and honestly in cases respecting employment and disciplinary matters. 38 CFR § 0.735-12(b). VA policy provides for penalties ranging from reprimand to removal for employees who intentionally falsify, misstate, or conceal a material fact(s) in connection with their employment or who willfully forgo or falsify official Government records or documents. VA Handbook 5021, Part I, Appendix A, Paragraph 2-25 (April 15, 2002).

Ms. [REDACTED] before the [REDACTED] hiring fair, allegedly intentionally provided the VA Chief of Staff (COS) with lower cost estimates in order to obtain his approval to hold the event.

VESO and Serco employees told us that they knew of no instance when Ms. [REDACTED] intentionally under-reported cost estimates to the COS. In addition, we found that the hiring fair was not something that Ms. [REDACTED] requested permission to hold. Rather, email records reflected that senior VA leadership made the decision to hold a hiring event in [REDACTED] as part of a National Veterans Conference and placed Ms. [REDACTED] in charge of it. Her submission of cost estimates was in response to a request from the COS.

One area of cost involved the design and development of an event management system (EMS) used to support registration, scheduling, and reporting during the hiring fair. One employee told us that Ms. [REDACTED] reported only a portion of the total cost of the development of this system to the COS and opined that Ms. [REDACTED] should have disclosed the total costs. However, total actual costs for the hiring fair reported after the event were consistent with pre-event cost estimates provided to VA leadership. In addition, post-event reporting included the full amount spent on the EMS; included a footnote explaining that the costs associated with the system were funded by the Detroit Hiring Fair task order, and; the system would be used for all future VESO events.

Alleged Interference with an OIG Investigation

Federal law states that "whoever procures another to commit perjury is guilty of subornation of perjury, and shall be fined under this title or imprisoned not more than 5 years, or both. 18 USC § 1622. Federal regulations state that an employee shall not engage in conduct prejudicial to the Government. 5 CFR § 735.203.

After OIG sent a draft report to the Department on the investigation of the 2011 HR Conferences held in Orlando, FL, (*Administrative Investigation of the FY 2011 Human Resources Conferences in Orlando, Florida, Report No. 12-02525-29, September 30, 2012*), Ms. [REDACTED] allegedly held a meeting with VESO staff and briefed them on the findings contained in the report. During the meeting, Ms. [REDACTED] allegedly told her staff that if they were asked by OIG investigators about Mr. [REDACTED], and about the "Patton" parody video, to tell the investigators "you don't recall," regardless of whether they knew about the matter being asked.

Three of the 19 VESO employees interviewed said that Ms. [REDACTED] told staff in an all-hands meeting that if OIG investigators asked them questions regarding the HR Conferences investigation that they should answer by saying that they "do not know" or "do not recall." These employees told us that, in their opinions, Ms. [REDACTED] made this statement in the context of, and after referring to, the problems that Mr. [REDACTED] encountered regarding OIG's finding that he made false statements to OIG investigators, and believed Ms. [REDACTED] was telling her staff to lie to investigators if they were ever questioned. However, 16 other VESO employees told us that Ms. [REDACTED] never told staff to tell OIG investigators that they "do not recall," or anything similar, if questioned. Some of the 16 employees said that Ms. [REDACTED] asked everyone to read the report and know for themselves what occurred. Some staff said that Ms. [REDACTED] said during the all-hands meeting that going forward, VESO operations were going to be scrutinized more closely as a result of the HR Conferences report; VESO was going to be audited; and she directed staff to cooperate fully and to "funnel" all OIG requests and any responses through her Special Assistant.

Alleged Improper Disclosure of Confidential Information

VA policy prescribes disciplinary or adverse action of up to and including removal for an employee who, except as specifically authorized, directly or indirectly discloses or uses information obtained as a result of employment in VA, which is of a confidential nature or which represents a matter of trust. VA Handbook 5021, Part 1, Appendix A, Paragraph 29.

Ms. [REDACTED] allegedly improperly disclosed to her staff that OIG was investigating a VESO management analyst for misuse of official time, naming the individual.

Sixteen of the 19 VESO employees interviewed told us that they never heard Ms. [REDACTED] talk about an on-going OIG investigation involving a VESO employee or anyone else. However, three VESO supervisors told us that Ms. [REDACTED] informed them, each separately from the others, that OIG was investigating the management analyst for alleged misuse of official time. One of the supervisors said that during a discussion about work space assignments in VESO, Ms. [REDACTED] mentioned that the management analyst, who normally teleworked from home, had his permission to telework rescinded, due to the OIG investigation, and needed to be assigned work space in the VESO office.

Conclusion

We did not substantiate that Ms. [REDACTED] under-reported cost estimates to the COS for the Detroit hiring fair. The final costs of the hiring fair were consistent with pre-event estimates and the total cost of the EMS was reflected in post-event reporting. Further, post-event reporting reflected that the EMS would be used for future VESO events.

We did not substantiate that Ms. [REDACTED] interfered with an OIG investigation by telling her staff that if questioned by an OIG investigator, to say that they "do not recall" or "do not know." We found that during an all-hands meeting, Ms. [REDACTED] discussed with her staff an OIG draft report regarding the HR Conferences in Orlando, FL, including OIG's findings that Mr. [REDACTED] made a false statement. Although three employees thought Ms. [REDACTED] indirectly told staff to lie to OIG investigators, due to their perceptions of the timing and context of her remarks about the report and about Mr. [REDACTED] 16 other employees said that Ms. [REDACTED] never told anyone to tell investigators that they "do not recall." There was a lack of preponderant evidence reflecting that Ms. [REDACTED] told her staff to lie to investigators.

We also did not substantiate that Ms. [REDACTED] improperly disclosed confidential information about an on-going OIG investigation of a VESO management analyst's alleged misuse of official time. We found that Ms. [REDACTED] told three VESO supervisors about OIG's on-going investigation; however, we found no evidence that she made wide-spread disclosures of the investigation to all VESO staff. Her disclosures appeared to be reasonable and proper as they were limited to supervisory staff with a reasonable need to know. In one instance, the supervisor said the disclosure appeared to have been prompted by the management analyst's recent telework rescission resulting in a need for assigned work space within the VESO office. In this case, we gave deference to

Ms. [REDACTED] apparent management decision of informing her three subordinate supervisors about the issue. We did not substantiate this allegation.

Based on the foregoing, these allegations were closed without a formal report or memorandum.

Prepared By:

[REDACTED]

Date

6/26/13

Approved:

[REDACTED]

Date

6/26/13